



Isle federal workers closer to pension pay parity

By Gregg K. Kakesako

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For more than a decade more than 50,000 federal workers in Hawaii, Alaska and U.S. territories have lobbied Congress for retirement pay parity with their mainland counterparts.

Yesterday, they got one big step closer to their goal.

Rep. Neil Abercrombie said House and Senate negotiators agreed on the \$700 billion 2010 National Defense Authorization Act which will allow these federal workers to use what is known as "locality pay" when computing their retirement benefits.

Federal Fire Chief Glenn de Laura said that after 35 years of working for the government, "it is great to see that the disparity of pay when a government worker retires from state to state will finally come to a balance among the federal work force. Hopefully, with this new parity, Hawaii, among others, will stop seeing an exodus of its work force seeking locality pay in other states to obtain an equal retirement."

The full House will vote on the measure today. The Senate could take the bill up tomorrow.

Abercrombie said these federal workers receive annual cost of living adjustments to help meet higher living costs. But workers on the mainland get locality pay instead. The difference comes at retirement. Locality pay counts toward salary when retirement pensions are computed; COLAs do not. So, mainland employees get higher retirement pay than their Hawaii and Alaska counterparts.

"It's a matter of fairness" Abercrombie said. "Federal employees in Hawaii, Alaska, Puerto Rico and the Pacific Islands should not have to settle for less financial security in their retirement."

Retired pay parity has hurt the Pearl Harbor Naval Shipyard's ability "to recruit engineers and other skilled workers," said spokesman Kerry K. Gershaneck.

"Each year the shipyard loses some of our most highly skilled workers. They leave Hawaii in the prime of their careers to take jobs on the mainland that will allow them a more comfortable retirement check, based on locality pay they receive there."

"Federal employees in Hawaii, Alaska, and the territories would have begun losing pay this year if Congress did not act," said U.S. Sen. Daniel Akaka.

"This bill will correct a long-standing inequity in retirement pay between federal workers in these areas and their mainland counterparts."